Risk Assessment of the Department of Justice Charge Card Programs

AUDIT DIVISION

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Introduction

The U.S. Department of Justice Office of the Inspector General (OIG) assessed certain risks within the Department of Justice's (Department or DOJ) charge card programs, as required by the Government Charge Card Abuse Prevention Act of 2012 (Charge Card Act), Public Law 112-194. The Charge Card Act, as implemented by Office of Management and Budget (OMB) Circular A-123, Appendix B, Revised, *A Risk Management Framework for Government Charge Card Programs* (OMB A-123, Appendix B), requires Inspectors General to conduct periodic assessments of the agency purchase card, convenience check, travel card, and integrated card programs to identify and analyze risks of illegal, improper, or erroneous purchases and payments.

The DOJ charge card programs are established through the General Services Administration's SmartPay3 contract with the charge card processor and consists of three programs—purchase, travel, and fleet—and four types of government charge cards—purchase, travel, integrated, and fleet cards.

- Purchase cards: generally, centrally billed accounts used to buy items and services.
- Travel cards: either individually billed accounts used by employees to pay for relocation or travel expenses associated with official government travel, or centrally billed accounts used to pay for travel costs associated with official government travel for those who do not possess an individually billed account.
- Integrated cards: a combination of charge card types in a single account.
- Fleet cards: generally, centrally billed accounts used to purchase fuel; authorized maintenance and repairs; parts; or services for government owned or leased vehicles, marine craft, and aircraft.

The Department's total spending, transaction counts, and number of open charge card accounts for each card type as of September 30, 2025, are presented in Table 1.

Table 1

Total Charge Card Activity

(Dollars in Thousands)

Card Type	Transactions Between 1/1/2025 – 9/30/2025 Amounts	Transactions Between 1/1/2025 – 9/30/2025 Counts	As of 9/25/2025 Open Accounts
Purchase	$ 437,561	281,521	5,624
Travel	91,264	450,138	50,227
Integrated	107,682	943,405	37,381
Fleet	27,214	280,709	11,462
Total	**$ 663,721**	**1,955,773**	**104,694**

Source: DOJ OIG analysis of data from DOJ's charge card processor's data repository.

The information in Table 1 is available by component in Appendix 1.

Risk Assessment Objective

The objective of this risk assessment was to assess the circumstances surrounding charge card accounts with a balance greater than 60 days past due and the Department's efforts to remediate the delinquent account balances.

Results in Brief

Our risk assessment noted that delinquencies were largely due to cardholder nonpayment of relocation and travel charges, and cardholder failure to submit complete, accurate, and timely voucher and relocation settlements. Components did not consistently comply with departmental requirements for monthly delinquency reviews and timely notification to cardholders of delinquencies, leaving the Department exposed to risks despite automated suspension controls at 60 days past due.

Scope and Methodology

We obtained DOJ charge card account data for the 9-month period of January 1, 2025, to September 30, 2025, across all four charge card types from the DOJ's charge card processor's data repository. We examined the data and identified the charge card accounts with balances greater than 60 days past due at some time between January 1, 2025, to September 30, 2025. Past due means the account is not paid by the close of the billing cycle following the billing cycle when the transactions were made. After 60 days past due, the charge card becomes suspended.

Of the 104,694 open accounts as of September 30, 2025, we identified 468 accounts with balances greater than 60 days past due at some time between January 1, 2025, to September 30, 2025. We noted only two delinquent accounts existed among the centrally billed accounts (accounts managed and paid by the Department), whereas the remainder of all delinquent accounts were from individually billed accounts (accounts managed and paid by the cardholder).

To accomplish our risk assessment objective, we performed sample-based testing. Our sample was judgmentally selected from the 468 accounts identified with known delinquencies to assess risks surrounding delinquent charge card accounts. We selected a judgmental sample of 45 accounts for further analysis, as shown in Table 2. This non-statistical sample design was designed to obtain broad exposure to multiple facets of the Department's charge card program—such as originating Department component and card type—and did not allow projection of the test results to the universe from which the samples were selected.

Our risk assessment included inquiries with Department personnel and evaluation of the Department's documentation related to our sample items. Our requests focused on the factors contributing to the delinquency, notifications to the cardholder, whether potentially improper charges were involved, utilization of administrative actions, and whether any cardholders in our sample were issued a new DOJ charge card.

Table 2

Number of Charge Card Accounts with a Balance Greater than 60 days Past Due

January 1, 2025 – September 30, 2025

Component[a]	Total Accounts > 60-Days Past Due				Accounts in Sample			
	Purchase	Travel	Integrated	Fleet	Purchase	Travel	Integrated	Fleet
ATF	-	-	36	-	-	-	3	-
BOP	-	124	-	-	-	17	-	-
DEA	-	1	-	1	-	-	-	1
FBI	-	-	229	-	-	-	20	-
FPI	-	1	-	-	-	-	-	-
OBDs	-	74	-	-	-	3	-	-
OJP	1	-	-	-	1	-	-	-
USMS	-	1	-	-	-	-	-	-
Total	**1**	**201**	**265**	**1**	**1**	**20**	**23**	**1**

[a] See Appendix 2 for a list of component acronyms used in DOJ's charge card programs.

Source: DOJ OIG analysis of data from DOJ's charge card processor's data repository.

Risk Assessment Results

Our review of activity associated with the charge card account sample items, the Department's responses to our inquiries, and supporting documentation provided, identified five contributing factors for the charge card accounts becoming delinquent, as shown in Table 3.

Table 3

Factors Contributing to Sample Delinquent Accounts

Contributing Factors	Instances
Cardholder failure to pay charge card:	
Relocation charges	11
Travel charges	6
Department's failure to pay charge card	2
Cardholder failure to submit a complete, accurate, and timely:	
Voucher	17
Relocation settlement	2
Charges incurred without prior authorization	5
Disputed charges related to vendor error	2
Total	45

Source: Component responses to our inquiries.

Our review of the Department's efforts to remediate the delinquent account balances focused on the delinquency notification to the cardholder, whether potentially improper charges were involved, utilization of administrative actions, and whether any cardholders in our sample were issued a new DOJ charge card.

Delinquency Notification to the Cardholder

The Department's policy requires the component Agency/Organization Program Coordinator to notify cardholders with delinquent balances about the delinquency and provide cardholders with the opportunity to resolve or dispute the delinquency. We inquired about whether notification occurred for the 45 delinquent accounts in our sample and noted from reviewing the supporting documentation that notifications were sent for 34 sample items. Although a notification occurred for the 34 sample items, we learned that it was not always timely. Further, within those 34 charge card accounts, there were 3 instances where the cardholder had separated from the Department prior to the delinquency notification being sent.

In addition, one component reported eight instances where it was unable to confirm whether notification was provided. We were informed that the responsible officials had separated or were unavailable, and the components were unable to access sufficient evidence to support an affirmative response of monitoring. Table 4 summarizes the components' notifications to cardholders for our sample.

Table 4

Component Notifications to Cardholder

Component Notification	Instances
Cardholder was notified	34
Cardholder was not notified	3
Undetermined	8
Total	45

Source: Component responses to our inquiries.

Delinquency Review for Improper Charges

The Department's policy requires components to review the charges on delinquent accounts to verify that the charges were proper. The Department informed us that it identified potentially improper transactions in 6 of our sampled accounts. These are related to personal charges, unallowable charges, and hotel charges for employees not in travel status.

We also noted 11 sample items from one component where the component was unable to confirm that the delinquent balance was for proper charges. The component could not identify the specific charges that correlated with the delinquent balance due to the cardholders' continued travel charges, aging of the revolving unpaid balance, or the cardholder separating from the component.

Administrative Actions

The Department's policy requires components to take appropriate administrative actions to ensure delinquent account balances are paid. Among the 45 charge card accounts reviewed, we were informed of 8 instances where administrative actions were taken: 2 instances where components required meal and incidental expenses be paid directly to the travel card instead of to the traveler to ensure payment; 5 instances where the cardholder was referred to the relevant Office of Internal Affairs, and

1 instance where the component transmitted a misuse referral to its headquarters. These eight instances include four of the six instances of improper charges noted above. For the remaining 37 sample items, the components did not report taking administrative actions to assist in collecting the delinquent balance.

We requested the Department to provide the current status (i.e., charge off closed, closed, or active) of the charge card accounts in our sample. Table 5 summarizes the responses.

Table 5

Account Status

As Reported by Components During our Review

Component	Charge Off Closed	Closed	Active
ATF	3	-	-
BOP	15	2	-
DEA	-	-	1
FBI	7	4	9
OBDs	1	2	-
OJP	-	-	1
Total	26	8	11

Source: Component responses to our inquiries.

New Card Issuance After Delinquency

We identified one instance in which a cardholder with a delinquent account was issued a new card after they transferred to another component within DOJ. The delinquent card was paid off by the employee and closed after our selection period.

Conclusion

Our risk assessment indicates deficiencies may exist in anticipating, monitoring, and remediating delinquent account balances, which increases the risk of illegal, improper, or erroneous payments. Specifically, our assessment indicates that delinquencies were caused primarily by cardholder failure to remit payment to the charge card processor, particularly for relocation and travel charges and for failure to submit complete, accurate, and timely vouchers.

We found that components did not consistently comply with departmental requirements for monthly delinquency reviews and timely notification to cardholders of delinquencies. This leaves the Department exposed to avoidable risks. Reliance on the charge card processor's automated suspension after 60 days past due, without robust component-level monitoring and enforcement actions, is not sufficient to ensure timely resolution of delinquencies or to prevent and detect misuse or lapses due to separating employees with outstanding balances. Strengthening component compliance with existing policy could reduce risks to the charge card programs.

We will include the information and results from this risk assessment in our continuous analysis of charge card data for anomalies and risks that could necessitate more in-depth inquiry or an audit in the future. In addition, the Department should continue evaluating its controls over government charge cards and to utilize this risk assessment in its efforts to continually improve its controls.

We provided a draft of our results to the Department. The Department declined to provide a formal response.

APPENDIX 1: Total Charge Card Activity by Component

Table 6

Total Transaction Amounts

As of September 30, 2025

Component	Purchase	Travel	Integrated	Fleet	Total
ATF	$ 28,634	$ 330,688	$ 32,128,833	$ -	$ 32,488,155
BOP	325,576,359	9,083,780	-	1,275,081	335,935,220
DEA	25,039,518	26,967,292	-	17,406,083	69,412,893
FBI	56,964,733	9,081,862	75,553,483	7,654,839	149,254,917
FPI	4,725,336	448,933	-	-	5,174,269
OBDs	7,169,964	20,570,548	-	-	27,740,512
OJP	148,413	211,140	-	-	359,553
USMS	17,907,538	24,569,955	-	878,324	43,355,817
Total	**$ 437,560,495**	**$ 91,264,198**	**$ 107,682,316**	**$ 27,214,327**	**$ 663,721,336**

Source: DOJ OIG analysis of data from DOJ's charge card processor's data repository.

Table 7

Total Transaction Counts

As of September 30, 2025

Component	Purchase	Travel	Integrated	Fleet	Total
ATF	126	255	225,483	-	225,864
BOP	130,130	51,532	-	9,990	191,652
DEA	28,125	131,582	-	251,139	410,846
FBI	81,382	61,922	717,922	8,300	869,526
FPI	6,985	3,040	-	-	10,025
OBDs	12,100	118,244	-	-	130,344
OJP	222	1,610	-	-	1,832
USMS	22,451	81,953	-	11,280	115,684
Total	**281,521**	**450,138**	**943,405**	**280,709**	**1,955,773**

Source: DOJ OIG analysis of data from DOJ's charge card processor's data repository.

APPENDIX 2: Component Acronyms

Components	
ATF	Bureau of Alcohol, Tobacco, Firearms and Explosives
BOP	Federal Bureau of Prisons
DEA	Drug Enforcement Administration
FBI	Federal Bureau of Investigation
FPI	Federal Prison Industries, Inc.
OBDs	Offices, Boards, and Divisions
OJP	Office of Justice Programs
USMS	United States Marshals Service

Source: DOJ organization information and DOJ's charge card processor's data repository.